

**NEIGHBOURHOOD NETWORK SCHEMES RECOMMISSIONING
PROCUREMENT STRATEGY (Ref: P0790)**

1 Background

- 1.1 The requirements and outcomes are set out in the Cabinet Report titled 'Neighbourhood Network Schemes Re-commissioning Cabinet Report June 2021'
- 1.2 The existing Neighbourhood Network Scheme (NNS) is delivered in three distinct services: 1) A City Wide NNS and Prevention and Community Grants Programme Support Service; 2) An NNS Grant Maker Service for Northfield and Edgbaston; 3) A Lead Facilitator service for community provision within each of the ten Constituencies across the City,
- 1.3 The service is delivered by the Neighbourhood Directorate in two Constituencies, Perry Barr and Selly Oak, via Service Level Agreements as market intelligence continues to identify a limited external provider market. Capacity building in those two Constituencies continues. One organisation in Perry Barr and potentially two in Selly Oak are now developed to support delivery of some components of the service but not all. These providers will join Neighbourhoods Directorate as partners in the delivery of this service. The other eight Constituencies are delivered by commissioned services.
- 1.4 Details of the current arrangements are set out in the table/list below:

Lot 1			
Name of the Service	Provider Name	End date of the current contract	Value per annum
City-wide NNS and Prevention and Communities Grants Programme Support, Development and Learning Service	Birmingham Voluntary Service Council (BVSC)	31/03/2022	£100,000
Lot 2			
NNS Grant Maker for Edgbaston and Northfield Constituencies and the city-wide NNS structure	Heart of England Community Foundation	31/03/2022	£134,533 (this fee includes NNS grants management of Edgbaston and Northfield, grants management of the city-wide structure as well as £100,000 city-wide grants budget)
Lot 3			

NNS Lead Facilitator – Hall Green Constituency	Accord Housing Association	31/03/2022	£190,000
NNS Lead Facilitator – Hodge Hill Constituency	POhWER	31/03/2022	£250,000
NNS Lead Facilitator – Erdington Constituency	Witton Lodge Community Association	31/03/2022	£270,000
NNS Lead Facilitator – Yardley Constituency	Disability Resource Centre	31/03/2022	£280,000
NNS Lead Facilitator – Ladywood Constituency	Birmingham Settlement	31/03/2022	£210,000
NNS Lead Facilitator – Sutton Coldfield Constituency	Age Concern	31/03/2022	£180,000
NNS Lead Facilitator – Selly Oak and Perry Barr Constituencies	Neighbourhoods Directorate – Neighbourhood and Development Support Unit	31/03/2022	£520,000
NNS Lead Facilitator – Northfield and Edgbaston Constituencies (South Locality)	Northfield Community Partnership Age UK Gateway Family Services	31/03/2022	£435,467

Market Analysis

1.5 The market expertise is limited in the 3 service areas as set out below:

- 1) City Wide NNS and Prevention and Community Grants Programme Support service: According to research undertaken by commissioners and the recent State of the Sector report, there seems to be only one organisation which has the expertise, understanding of ASC requirements, capacity and capability to provide this service. There are a number of organisations that operate within a

specific locality, or offer a particular type of support only, which isn't enough to fulfil this city-wide, multi-community support role. However, it's been 3 years since the original SCN was signed with the current provider and we are seeking a long-term contract, therefore it is felt that this procurement will test the market fully.

- 2) NNS Grant Maker Service in Edgbaston and Northfield. In 2019 an Invitation to Quote was issued and resulted in two bids. The suppliers are reasonably large meaning the level of industry competition is likely an Oligopoly. The value of the contract is relatively small and a fixed price. This procurement will test the market.
- 3) Lead Facilitator service for community provision within each of the eight Constituencies where the service is being procured: There is at least one lead provider for each Constituency. There is potential for New Entrants in the market due to increased awareness of the NNS model and the potential inclusion of Citizens 18+ with a long-term disability, this is subject to budget approval in February 2022. Some areas of this market are still immature in relation to procurement and may self-exclude.

1.6 Prior to the procurement of the Lead Facilitator service in 2018-19 a market shaping exercise took place including four market engagement events, data analysis and profiling of Birmingham's neighbourhoods and communities. The following themes and issues were identified:

1.6.1 The diversity and complexity of some of Birmingham's constituencies provides substantial challenges to delivering an NNS service through a single provider or partnership for the whole city.

1.6.2 The capacity in the market to deliver in the eight Constituencies varies significantly.

1.6.3 There were a number of providers that are strong in their area of community provision but lacked the expertise to deliver a Lead Facilitator service.

1.7 Further market shaping was undertaken by investing in research and development projects for a six-month period in the eight Constituencies; this incorporated element of the Lead Facilitator service and was carried out before the procurement.

1.8 The procurement exercise identified the following market issues:

1.8.1 There were limited providers within all Constituencies; fourteen bid submissions were received; 10 passed the selection questionnaire stage. Of these ten, two Lots received two bids; the remaining Lots received one bid each. This is to be expected for this type of service.

1.8.2 Of the eight Lots, awards were made to four lots from the initial procurement, this was due to a lack of expertise within the bidding

organisations. This is to be expected for these providers and was the first time the market was engaged to deliver this service in Birmingham.

- 1.8.3 A follow up procurement resulted in the awards for the remaining four constituencies. Three tender submissions were received for Hodge Hill and one for Hall Green.
- 1.9 The support provided by BVSC as the provider for the overarching support services has resulted in capacity building within the provider network.
- 1.10 Feedback from the current providers is to add the Younger Adults/citizens 18yrs+ with a long-term disability to the Older Adults services with a degree of separation on the multi-agency partnership working. A pilot to ascertain the best approach is taking place from April 2021 to March 2022 in two constituencies. This will be addressed in the contracted terms and conditions.
- 1.11 Feedback from social workers and lead facilitators on the Edgbaston and Northfield model have requested the model remains the same. This is beneficial to the Council as additional £34k external grant funding injection into the two constituencies is a contractual requirement of the Grant Maker with Payment by Results. The community partnership social worker facilitates the collaboration and partnership working between the Adult Social Worker teams and NNS providers and manages the steering group releasing the NNS and social work teams to focus on other aspects of NNS. Both NNS leads and social work teams in these two constituencies feel that changes to this model would confuse practitioners and stakeholders and would disturb the relationships and the momentum built up during the pandemic. There is currently a citywide NNS pilot for both these roles and will be a requirement in the proposed procurement.

Strategic Procurement Approach

The following options were considered:

- 1.11.1 Not to tender the requirement; the success of the service is due to the involvement of the small, local groups responding directly to the presenting need of the community in a timely and appropriate way. Delivering the Lead Facilitator role via contracted arrangements ensures the required outcomes are achieved and evidenced and is appropriate for the value of the investment.
- 1.11.2 To tender for a Birmingham only contract. This is the recommended option as this would give the Council the most flexibility in specifying its service provision and enable the contract to be awarded within the timescales.

1.11.3 To tender for a framework agreement led by Birmingham and available for other local authorities or public sector bodies. This was discounted as a) The service is based on geographical locations, it is not appropriate for other local authorities and b) The potential co-commissioning with Health is not an option as Health is not currently providing funding in this area and there are no economies of scale benefits for the Council to pursue this further.

1.11.4 To use a collaborative framework agreement. There are no collaborative framework agreements in place that meet the Council's requirements therefore this option has been discounted.

Procurement Approach

1.12 Duration and Advertising Route:

The contracts will be awarded for a period of 5 years plus a 2 year extension and advertised in the Find a Tender, Contracts Finder and www.finditinbirmingham.com.

1.13 Sourcing Strategy

The three service requirements will be sourced as follows:

- 1) A citywide NNS and Prevention and Community Grants Programme Support service; a single provider will fulfil the necessary citywide oversight and provide consistency of support throughout the programme.
- 2) An NNS Grant Maker Service in Edgbaston and Northfield; a single provider will provide consistency of decision making and is sufficient based on the value of the contract.
- 3) A Lead Facilitator service for community provision in each of the ten Constituencies across the City. Two Constituencies will be delivered in-house and contracts will be awarded to eight suppliers; one per Constituency.

Having a lead provider for the Lead Facilitator service in each Constituency allows:

- Locality partnerships to be developed; this will provide opportunities for collaboration, innovation and potential efficiencies.
- Constituency and locality oversight by a lead provider in the area with a single point of contact for the citywide support and consistency of grant making decisions.

- Potential for competitive tension in the procurement and supply chain
- Most efficient contract management arrangements providing whole life cost reductions.
- If the funding is available to include Younger Citizens 18yrs+ with Long Term Disabilities having a lead provider will enable partnership delivery ensuring the required expertise.

If the outcome of the evaluation is that a single provider is unable to deliver the Lead Facilitator service in any of the Constituencies then contracts will be awarded to more than one provider.

1.14 Procurement Route

As this is a Social Care Contract that requires an element of flexibility the Light Touch Regime (LTR) will be applied. LTR allows the Council to design a procurement procedure suitable for certain social and other specific services provided they comply with the general principles of equal treatment and transparency and have reasonable and proportionate timescales.

The design of the LTR will be based on the Open Route for all services and include Competition with Negotiation (CwN) and an Innovation Partnership (IP) for the Lead Facilitator Constituency services. This will allow for tenders to be amended via negotiation, including the Final Tender, and if appropriate allows for a service trial.

The Invitation to Tender will ask for substantial solutions and will include a Selection Stage based on previous experience.

Following the evaluation of the Tenders there will be 3 available options:

- Option 1 is to award the contract if there is a sufficient and satisfactory tender.
- Option 2 is to negotiate on the tenders selected for negotiation to produce sufficient and satisfactory tender(s).
- Option 3 is to trial the service(s) with one or more providers.

The option selected will be based on the evaluation of the bids received. Option 3 may be applied if agreement cannot be achieved at Option 2. If a trial basis is selected then a funding arrangement will be agreed and the timeframe(s) negotiated with the potential provider(s). A contract may be offered at a later stage.

The reason for the application of an LTR design based on Open, Competition with Negotiation and Innovation Partnership routes is that there is potential for substandard tenders to be submitted which could, with some negotiation or service trialling, be developed into sufficient bids. This route allows the Council to directly contract with the supplier if the final tender is appropriate. The Council can end the procedure at any phase.

1.15 Scope and Specification

Neighbourhood Network Schemes are locality and Constituency based networks which enable the engagement with and investment in community assets. This is for the purposes of supporting older people and potentially citizens who are 18yrs + with long term disability to connect to individuals, groups, organisations, activities, services and places in their neighbourhoods. This approach is integral to the new community social work mode and the overall investment by Adult Social Care & Health in "Prevention First".

To support this purpose, Lead Facilitators are being commissioned through this procurement strategy to deliver the following outcomes on behalf of the Council:

System – Council and NHS:

- Reduced demand on statutory services
- Financial savings
- Additional investment
- Happier, more productive workforce

Citizens:

- Increased social participation
- Healthier lifestyles
- Maximised income
- Housing which supports independence
- Cares feel more supported
- Have a better experience of the social care and health system

Communities:

- Access to a relevant and diverse community offer
- Access to more opportunities to participate in neighbourhoods

System behaviour and culture:

- Better internal partnership working across Council and NHS
- Better cross-sector partnership working between the statutory, voluntary, community and social enterprise sectors
- Embedding of a culture which focuses on and support the strengths, assets and positive outcomes for citizens

To deliver these outcomes Lead Facilitators will be commissioned to deliver a number of activities aligned to the following functions and responsibilities:

- Community Assets
- Local brokerage, coordination and relationships
- Local commissioning
- Local partnership governance
- Citywide collaboration, coordination and innovation

The citywide NNS and Prevention and Community Grants Programme Support service will deliver the following outcomes/outputs:

“Prevention First” Outcomes Framework		Aligned contract outcomes
System – Council and NHS	<ul style="list-style-type: none"> • Reduced demand on statutory services • Financial savings • Happier, more productive workforce 	<ul style="list-style-type: none"> • Secure additional financial investment in Neighbourhood Network Schemes and community assets • Secure additional financial investment in Third Sector Grants providers • BCC and NNS Lead Facilitators have clear knowledge and understanding of the practices in the Neighbourhood Network Schemes and Third Sector Grants programme which can contribute to reduced demand and financial savings in statutory services
Citizens	<ul style="list-style-type: none"> • Increased social participation • Healthier lifestyles • Maximised income • Housing which supports independence • Carers feel more supported (as people and as carers) • Better experience of the social care system 	<ul style="list-style-type: none"> • NNS Lead Facilitators and Locality/City-wide/Specialist Social Work teams have clear knowledge and understanding of the practices in the Neighbourhood Network Schemes and Third Sector Grants programme which can contribute to delivering relevant citizen outcomes • Social workers feel more supported and connected to practices which are proven to work in the context of prevention and early intervention • Other key stakeholders, particularly in the NHS feel connected to practices which are proven to work in the context of prevention and early intervention
Communities	<ul style="list-style-type: none"> • Access to a relevant and diverse community offer • Access to more opportunities to participate in neighbourhoods 	<ul style="list-style-type: none"> • BCC and NNS Lead Facilitators have clear knowledge and understanding of the practices in the Neighbourhood Network Schemes and Third Sector Grants programme which can contribute to relevant community outcomes and wellbeing • NNS Lead Facilitators feel effectively supported in and connected to practices which are proven to work in the context of prevention and early intervention in communities

		<ul style="list-style-type: none"> • Third Sector Grants providers are better able and equipped to sustain their organisations, offer and activity – relevant to “Prevention First” outcomes
System behaviour and culture	<ul style="list-style-type: none"> • Better internal partnership working across Council and NHS • Better cross-sector partnership working between the statutory, voluntary, community and social enterprise sectors • Embedding of a culture which focuses on and support the strengths, assets and positive outcomes for citizens 	<ul style="list-style-type: none"> • Third Sector Grant providers have clear knowledge and understanding of how they can engage with Neighbourhood Network Schemes • At a city-level, stakeholders have clear strategic knowledge and understanding of NNS and how they can engage with it • At a city level NNS Lead Facilitators feel effectively supported and connected to citywide initiatives, policies, strategies and activity which are relevant to older people, younger adults with long-term disability and communities

The NNS Grant Maker Service will deliver the following outcomes/outputs:

General functions and responsibilities	Specific activity to be delivered
Community Assets	<ul style="list-style-type: none"> • Working with Neighbourhood Network Scheme partners to promote the grants programme to community assets across the area’s neighbourhoods and networks
Connecting, coordinating and relationships	<ul style="list-style-type: none"> • Be a single point of contact for the Neighbourhood Network Scheme grants programme providing advice, guidance and signposting for: <ul style="list-style-type: none"> ○ Citizens, community groups and organisations ○ Social work locality teams ○ NHS social prescribing teams ○ Other stakeholders interested in the Constituency and/or prevention
Local commissioning and grants	<ul style="list-style-type: none"> • With guidance and agreement from representatives of the Adult Social Care’s Commissioning Team implement, manage and maintain a small grants scheme to invest in and commission community assets and activities • Working with Neighbourhood Network Scheme partners to identify gaps in the community offer, which are directly relevant to the ideas and issues being raised through adult social care and social prescribing conversations • Develop an ongoing and dynamic grants prospectus which addresses and closes gaps in the locality community offer for older people and younger disabled

General functions and responsibilities	Specific activity to be delivered
	<p>adults. This includes working with Neighbourhood Network Scheme partners to co-design and co-produce with citizens, the specifications and eligibility for grants which will be made through the programme.</p> <ul style="list-style-type: none"> • Involvement of citizens, Neighbourhood Network Scheme partners and other stakeholders in the governance process for the awarding of small grant funding through the programme. • Management and delivery of the small grants programme to issue funding for community activity and assets, in line with the Council's Conditions of Grant Aid. • Working with Neighbourhood Network Scheme partners monitor and evaluate activity and services delivered as a result of grant awards made to community groups and organisations.
Local partnerships	<ul style="list-style-type: none"> • Provide regular reports to the Neighbourhood Network Scheme Steering Group to promote progress and the status of the small grants programme. • Working with Neighbourhood Network Scheme partners to contribute to the development and delivery of communications and engagement activity and plans, which promotes the activities, services, events being funded through the grants programme, to local citizens, stakeholders and communities.
Citywide collaboration, coordination and innovation	<ul style="list-style-type: none"> • Engage with the citywide NNS forums and network, coordinated by the Support, Development and Learning Support Organisation, including regular attendance at meetings, as appropriate • Engage with BSAB Partnership meetings, workshops and networks where relevant to prevention, early intervention, risk enablement and neighbourhood networks • Contribute to cross-city NNS collaboration and learning between Constituencies • Develop and test innovative activity to drive the development of the NNS model across the city
City-wide NNS grants programme	<ul style="list-style-type: none"> • With guidance and agreement from representatives of the Adults Social Care Commissioning Team, to adhere to all the above points in relation to the city-wide NNS grants programme, which is set up to benefit communities of interest that are not geographically-placed. Grants budget responsibility of £100k

General functions and responsibilities	Specific activity to be delivered

1.16 Tender Structure (Including Evaluation and Selection Criteria)

1.16.1 Tender Structure

There will be a Lot for each of the 3 service types:

Lot 1: Citywide NNS Prevention and Community Grants Programme Support service

Lot 2: NNS Grant Maker Service Edgbaston and Northfield

Lot 3: Lead Facilitator Service with 8 geographical sub lots:

Lot 3.1 - Edgbaston Constituency (excludes Grants)*

Lot 3.2 - Erdington Constituency

Lot 3.3 - Hall Green Constituency

Lot 3.4 - Hodge Hill Constituency

Lot 3.5 - Ladywood Constituency

Lot 3.6 - Northfield Constituency (excludes Grants) *

Lot 3.7 - Sutton Constituency

Lot 3.8 - Yardley Constituency

* There is an allocated Community Partnership worker based in Adult Social Care.

SLAs with Neighbourhoods Directorate will be updated for Perry Barr and Selly Oak.

1.16.2 Evaluation and Selection Criteria

The quality / price balances below were established having due regard for the corporate document 'Evaluating Tenders' which considers the complexity of the services to be provided. The tender documents will include the standard Terms and Conditions which will be reviewed and amended as required with the appropriate data sharing agreements for each service.

The evaluation of tenders will be assessed as detailed below:

The assessment will be divided into the following stages:

Stage 1 – Selection Stage

Stage 2 – Invitation to Tender

Stage 3 – Negotiate on tenders selected for negotiation if needed

Stage 4 – Invite selected suppliers to trial the service subject to mutual agreement if needed

Stage 1 – Company Information

Criteria	Evaluation
STAGE ONE - Selection Stage	
Company Information	Pass / Fail
Economic and Financial Standing (including insurance)	Pass / Fail
Health and Safety	Pass / Fail
Compliance with Equalities	Pass / Fail
Quality Management	Pass / Fail
Grounds for Mandatory Exclusion	Pass / Fail
Grounds for Discretionary Exclusion	Pass / Fail
Supplier Portal	Pass /Fail
Modern Slavery Act 2015	Pass / Fail
Technical and Professional Ability	Pass / Fail
Safeguarding Policy & Procedures	Pass / Fail
Whistle Blowing Policy	Pass/Fail
BBC4SR	Pass/Fail
Declaration	Pass / Fail

Tenderers will be required to pass Stage 1 in order to progress to Stage 2.

Stage 2 – Invitation to Tender Stage

Evaluation and Selection Criteria

Tenders will be evaluated using the quality / social value / price in accordance with a pre-determined evaluation model. The quality element will account for 60%, social value 20% and price 20%. This quality / social value / price balance has been established having due regard to the corporate document 'Evaluating Tenders' which considers the complexity of the services to be provided and the degree of detail contained within the contract specification.

Tenders will be evaluated against the specification in accordance with the pre-determined evaluation model described below:

Quality (60% Weighting)

Criteria	Overall Weighting	Sub-weighting
Vision and outcomes	100%	20%
Place-based service delivery		20%
12-month plan and milestones		20%
Stakeholder engagement		20%
Risk and risk management		10%
Partnership working		10%

Tenderers who score less than 55% of the quality threshold i.e. a score of 55 out of a maximum quality score of 100 (55 marks out of 100) may not proceed to the next stage of the evaluation.

Social Value (20%)

All contracts include money to be granted which reduces the actual contract value for the provider.

	Sub-Weighting	Sub-Criteria	Theme Sub-Weighting
Qualitative	70%	Local Employment	30%
		Partners in Communities	35%
		Good Employment	35%
			TOTAL 100%
Quantitative	30%	BBC4SR Action plan	Total of financial proxies (£) score
			TOTAL 100%
Overall Social Value	20%		

Tenderers who score less than 50% of the social value threshold i.e. a score of 50 out of a maximum quality score of 100 (50 marks out of 100) will not proceed to the next stage of the evaluation.

In the event that the Council deems that no acceptable bids have been received following Stage 2 then the Council reserves the right to invite up to 3 of the highest scoring tenderers per lot to participate in negotiation and thereafter proceed to Stage 3 - Invitation to Submit Final Tenders based on the same evaluation criteria.

Price (20%):

Tenderers will be required to submit a price based on the annual price to deliver.

The tenderer with the lowest acceptable price is given the maximum possible weighted price score. The other tenderers' weighted price scores will be calculated on a pro rata basis.

1.17 Overall Evaluation

The evaluation process will result in comparative quality, social value and price scores for each tenderer. The maximum quality score will be awarded to the bid that demonstrates the highest quality. The maximum social value score will be awarded to the bid that demonstrates the highest social value. The lowest price will be given the maximum score. Other tenderers will be scored in proportion to the maximum scores in order to ensure value for money and the proposed framework agreement will be awarded to the first ranked tenderer.

The Council reserves the right not to invite any tenderers to Stage 3, or Stage 4 or to award a contract to tenderers who score:

- Below 55% of available marks threshold in terms of quality
- Below 50% of available marks threshold in terms of social value
- 0% in any one section or Zero / no response in any one scored question

1.17.1 Evaluation Team

The evaluation of Stage 2, and Stage 3 and Stage 4 for the Lead Community Facilitator Lots, will be undertaken by a panel made up of a minimum of 3 panel members from the following areas:

- ASC Commissioning
- ASC Social Work
- ASC Citizens Panel member (optional)
- Birmingham Ageing Better
- Preparation for Adulthood

Each evaluation stage will be moderated by a Procurement Officer.

If negotiations on selected tenders are required, this will be undertaken by Senior Commissioning Officers in the in the 'Community Assets' Commissioning Team Adult Social Care and a Procurement Officer.

1.17.2 Indicative Implementation Plan

Approval (Strategy)	July 2021
ITT Issued	August 2021
ITQ Return	October 2021
Evaluation Period	November 2021
Potential Stage 3 Negotiation Period	December 2021
Potential Stage 3 Evaluation	January 2022
DPR Approval (Award)	February 2022
Contract Award	March 2022
Contract Start	1 st April 2022
Mobilisation period	April 2022

1.18 Service Delivery Management

Contract and performance Management

Contracts will be managed by a designated Commissioning Manager, Adults Social Care, together with allocated Senior Commissioning Officer support, using the Council's Contract Management process and toolkit. Key performance indicators will be used to regularly monitor and manage quality as well as social value outcomes.

Payments will be made on quarterly basis subject to satisfactory performance.

Performance will be measured via quantitative KPI data, quality assurance of service delivery alongside the outcomes delivered for citizens.

1.19 Risk Management

The CPS approach is to follow the Council Risk Management Methodology and the Procurement Team is responsible for local risk management. CPS maintains a risk management register and documentation relevant for each contract. The risk register for the service has been jointly produced and owned by Adults Social Care and Health commissioning and CPS with arrangements being put in place to ensure operational risks are appropriately mitigated.

1.20 Birmingham Business Charter for Social Responsibility (BBC4SR)

Compliance with the BBC4SR is a mandatory requirement that will form part of the conditions of these contracts. Tenderers will be required to submit an action plan with their tender that will be evaluated in accordance with the procurement strategy set out and the action plan of the successful tenderers will be implemented and monitored during the contract period.